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THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

National Intelligence Officers

NFAC 7698-80

25 November 1980

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MEMORANDUM FOR: Director of Central Intelligence

Deputy Director of Central Intelligence

VIA:

Bruce C. Clarke, Jr.

Deputy Director for National Foreign Assessment

Richard Lehman

National Intelligence Officer for Warning

FROM:

Assistant National Intelligence Officer for USSR-EE

SUBJECT:

Monthly Warning Assessment: USSR-EE (Meeting held on 18 November 1980)

TNF:

1. Based on an assessment of the Soviet position at the Geneva talks which concluded in mid-November, we conclude that the primary Soviet objective continues to be to disrupt the December 1979 NATO decision, and to stop deployment of Pershing II and GLCM in Europe. The Soviets probably see engaging the US in TNF limitation talks as serving this objective, inasmuch as it keeps the prospect of eventual limitations viable, particularly in West European eyes. At the same time, the Soviets probably seek to convey the impression (again, particularly to the West Europeans) that any new deployments will upset the balance which the Soviets claim now exists, and will jeopardize prospects for achieving limitations.

Poland:

2. Domestic tensions have decreased following the regime's November tenth acquiescence to the union demand that recognition of party supremacy not be included in the union's statutes. CIA analysts view the serious increase of domestic tensions over the next few weeks as unlikely - i.e., a regime-union confrontation. A future event of some importance may be Solidarity's mid-December evaluation of the regime's fulfillment of the Gdansk agreements. At the same time, the regime's capitulation on the issue of union recognition of party supremacy could have discredited Kania in Soviet eyes and moved them closer to a decision to intervene. No one insisted that such a decision has already been adopted, but a number of analysts felt that the military and political signals were becoming 25X1 increasingly ominous.

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Iran-Iraq:

- The group agreed that Moscow had been trying to keep open the possibility of improving its relations with Iran. The Soviets were concerned lest release of the hostages open the way for an American rapprochement with Iran. Soviet propaganda to Iran has already begun to emphasize reasons for abiding tension between Washington and Tehran and Moscow probably intends to 25X1 press that line if the hostages are released.
- 4. As to the question of a wider war, a majority (CIA AND INR participants) believed that the Soviets viewed the possibility with grave misgiving. An alternative view (DIA) was that the Soviets might see a wider war as the opportunity to achieve their objective of disrupting the West's oil supply.

Soviet Response to the U.S. Presidential Election:

- Moscow was surprised by the magnitude of the Republican victory. Brezhnev and other Soviet leaders had hoped for a Carter victory. In the wake of President Carter's defeat, the Soviets enunciated their frustrations over fluctuations in US-Soviet relations during his administration. They were quick to point out that his defeat did not signal a popular endorsement of the Republican platform; rather. it expressed the interest of the American people 25X1 in peace and cooperation.
- 6. The Soviets have signaled that a top priority following Reagan's inauguration will be negotiations on the conclusion of SALT II and arms control in general. Moscow is concerned about the impact that the new Congress could have on US military spending. Consequently, arms control negotiations will be used by Moscow to test the philosophy and policies of the new administration. US specialist Arbatov may have revealed one aspect of Moscow's attitude when he stated that it may be necessary to give the new President "some black eyes" to show him the realities of dealing with the Soviet Union. The Soviets have, however, suggested that good relations are still possible and desirable. For the present, they have adopted a wait-and-see attitude toward the new administration. 25X1

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